

# Exhibit 1

**From:** "Marsilio, Kim" <KMarsilio@sompo-intl.com>  
**Sent:** Thu, 20 Sep 2018 15:17:12 -0500 (CDT)  
**To:** "Sentman, Jeremy" <JSentman@sompo-intl.com>  
**Subject:** James Justice GAI's  
**Attachments:** Untitled.PDF - Adobe Acrobat.pdf

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Let me know if you want anything else out of the file. I have the library of a file at my desk.



### GENERAL AGREEMENT OF INDEMNITY

This Agreement entered into by and between the undersigned, herein called the Indemnitors, and Bond Safeguard Insurance Company, Illinois, and/or Lexon Insurance Company, Texas, with Executive Offices in Lombard, Illinois hereinafter called the Company, witnesseth:

WHEREAS, in the transaction of business, certain bonds, undertakings and other writings obligatory in the nature of a bond have heretofore been, and may hereafter be, required by, for or on behalf of Indemnitors or any one or more of the parties included in the designation Indemnitors, and application has been made and will hereafter be made to the company to execute such bonds and as a prerequisite to the execution of such bond or bonds, the Company requires complete indemnification.

NOW, THEREFORE, in consideration of the premises, and the payment by the Company of the sum of One (\$1.00) Dollar to each of the Indemnitors, receipt whereof is hereby acknowledged, and for other good and valuable consideration, the Indemnitors do, for themselves, their heirs, executors, administrators and assigns, jointly and severally, agree with the Company as follows:

1. The Indemnitors will pay to the Company, at its Executive Offices in Lombard, Illinois, premiums and charges at the rates, and at the times specified in respect to each such bond in the Company's schedule of rates, which, with any additions, or amendments thereto, is by reference made a part hereof, and will continue to pay the same where such premium or charge is annual, until the Company shall be discharged and released from any and all liability and responsibility upon and from each such bond or matters arising there from, and until the Indemnitors shall deliver to the Company at its Executive Offices in Lombard, Illinois, competent written evidence satisfactory to the Company of its discharge from all liability on such bond or bonds.
2. The Indemnitors will indemnify and save the Company harmless from and against every claim, demand, liability, cost, charge, suit, judgment and expense which the Company may pay or incur in consequence of having executed, or procured the execution of, such bonds, or any renewals or continuations thereof or substitutes therefore, including fees of attorneys, whether on salary, retainer or otherwise, and the expense of procuring, or attempting to procure, release from liability, or in bringing suit to enforce the obligation of any of the Indemnitors under this Agreement. In the event of payment by the Company, the Indemnitors agree to accept the voucher or other evidence of such payment as *prima facie* evidence of the propriety thereof, and of the Indemnitor's liability therefore to the Company.
3. If the Company shall set up a reserve to cover any claim, suit or judgment under any such bond, the Indemnitors will, immediately upon demand, deposit with the Company a sum of money equal to such reserve, such sum to be held by the Company as collateral security on such bond, and such sum and any other money or property which shall have been, or shall hereafter be, pledged as collateral security on any such bond shall, unless otherwise agreed in writing by the Company, be available, in the discretion of the Company, as collateral security on any other or all bonds coming within the scope of this Agreement.
4. The Indemnitors immediately upon becoming aware of any demand, notice, or proceeding preliminary to determining or fixing any liability, with which the Company may be subsequently charged under any such bond, shall notify the Company thereof in writing at its Executive Offices in Lombard, Illinois.
5. The Company shall have the exclusive right to determine for itself and the Indemnitors whether any claim or suit brought against the Company or the Indemnitors upon any such bond shall be settled or defended and its decision shall be binding and conclusive upon the Indemnitors.
6. If such bond be given in connection with a contract, the Company is hereby authorized, but not required, to consent to any change in the contract or in the plans or specifications relating thereto; to make or guarantee advances or loans for the purposes of the contract without the necessity of seeing to the application thereof, it being understood that the amount of all such advances or loans, unless repaid with legal interest by the Indemnitors to the Company when due, shall be conclusively presumed to be a loss hereunder; in the event of the abandonment, forfeiture or breach of the contract, or the

breach of any bond given in connection therewith, or the failure, neglect or refusal to pay for labor or materials used in the prosecution of the contract, to take possession of the work under the contract and, at the expense of the Indemnitors, to complete the contract, or cause, or consent, to the completion thereof. The Indemnitors hereby assign, transfer, and set over to the Company (to be effective as of the date of any such bond, but only in the event of a default as aforesaid), all of their rights under the contract including their right, title and interest in and to all subcontracts let in connection therewith; all machinery, plant, equipment, tools and materials which shall be upon the site of the work or elsewhere for the purposes of the contract, including all materials ordered for the contract, and any and all sums due under the contract at the time of such abandonment, forfeiture, breach, failure, neglect or refusal, or which may thereafter become due, and the Indemnitors hereby authorize the Company to endorse in the name of the payee, and to collect any check, draft, warrant or other instrument made or issued in payment of any such sum, and to disburse the proceeds thereof.

7. That it shall not be necessary for the Company to give the Indemnitors, or any one or more of them, notice of the execution of any such bonds, nor of any fact or information coming to the notice or knowledge of the Company affecting its rights or liabilities, or the rights or liabilities of the Indemnitors under any such bond executed by it, notice of all such being hereby expressly waived.

8. In the event of any claim or demand being made by the Company against the Indemnitors, or any one or more of the parties so designated, by reason of the execution of a bond or bonds, the Company is hereby expressly authorized to settle with any one or more of the Indemnitors individually, and without reference to the others, and such settlement or composition shall not affect the liability of any of the others, and we hereby expressly waive the right to be discharged and released by reason of the release of one or more of the joint debtors, and hereby consent to any settlement or composition that may hereafter be made.

9. The Company at its option may decline to execute or participate in, or procure the execution of, any such bonds without impairing the validity of this General Agreement of Indemnity.

10. If the Company procures the execution of such bonds by other companies, or executes such bonds with co-sureties, or reinsures any portions of such bonds with reinsuring companies, then all the terms and conditions of this Agreement shall apply and operate for the benefit of such other companies, co-sureties, and re-insurers as their interests may appear.

11. The liability of the Indemnitors hereunder shall not be affected by the failure of the Principal to sign any such bond, nor by any claim that other indemnity or security was to have been obtained, nor by the release of any indemnity, or the return or exchange of any collateral that may have been obtained and if any party signing this Agreement is not bound for any reason, this Agreement shall still be binding upon each and every other party.

12. This Agreement may be terminated by the Indemnitors, or any one or more of the parties so designated, upon written notice to the Company of not less than ten (10) days, but any such notice of termination shall not operate to modify, bar or discharge the liability of any party hereto, upon or by reason of any and all such obligations that may be then in force.

13. Indemnitors agree that their liability shall be construed as the liability of a compensated surety, as broadly as the liability of the Company is construed toward its obligee.

14. The word Indemnitors, or personal pronouns used to refer to said word, shall apply regardless of number or gender, and to individuals, partnerships or corporations, as the circumstances require.

15. That no change or modification of or in the terms of this agreement shall be effective unless such change or modification is in writing and signed by the President, a Vice-President, a Secretary, or an Assistant Secretary of the Company.

16. That this Agreement shall constitute a security agreement to the Company, as a surety and also a financing statement, both in accordance with the provisions of the Uniform Commercial Code of every jurisdiction wherein such Code is in effect and may be so used by the Company without in any way abrogating, restricting or limiting the rights of the Company under this Agreement or under law, or in equity.

17. At any time, and until such time as the liability of the Company under any and all said Bonds is terminated, the Company shall have the right to reasonable access to the books, records, and accounts of the Indemnitor and Indemnitors; and any bank depository, material man, supply house, or other person, firm, or corporation when requested by the Company is hereby authorized to furnish the Company any information requested including, but not limited to, the status of the work under contracts being performed by the Indemnitor, the condition of the performance of such contracts and payments of accounts.

18. In the event of any breach, delay or default asserted by the obligee in any said Bonds, or the Indemnitors have suspended or ceased work on any contract or contracts covered by any said Bonds, or failed to pay obligations incurred in connection therewith, or in the event of the death, disappearance, Indemnitor's conviction for a felony, imprisonment, incompetence, insolvency, or bankruptcy of the Indemnitors, or the appointment of a receiver or trustee for the Indemnitors, or the property of the Indemnitors, or in the event of an assignment for the benefit of creditors of the Indemnitors, or if any action is taken by or against the Indemnitors under or by virtue of the National Bankruptcy Act, or should reorganization or arrangement proceedings be filed by or against the Indemnitors under said Act, or if any action is taken by or against the Indemnitors under the insolvency laws of any state, possession, or territory of the United States, the Surety shall have the right, at its option and in its sole discretion, and is hereby authorized, with or without exercising any other right or option conferred upon it by law or in the terms of this Agreement, to take possession of any part or all of the work under any contract or contracts covered by any said Bonds, and at the expense of the Indemnitors and Indemnitors to complete or arrange for the completion of the same, and the Indemnitors and Indemnitors shall promptly upon demand pay to the Surety all losses, and expenses so incurred.

19. THE INDEMNITORS HEREBY ACKNOWLEDGE THAT THIS AGREEMENT IS INTENDED TO COVER ANY BONDS (WHETHER OR NOT COVERED BY ANY APPLICATION SIGNED BY ANY ONE OR MORE OF THE INDEMNITORS— SUCH APPLICATION TO BE CONSIDERED BETWEEN THE PARTIES HERETO AS MERELY SUPPLEMENTARY TO THIS GENERAL AGREEMENT OF INDEMNITY) HERETOFORE OR HEREAFTER EXECUTED BY THE COMPANY ON BEHALF OF THE INDEMNITORS, OR ANY ONE OF THEM (WHETHER CONTRACTING ALONE OR AS A JOINT OR CO-ADVENTURER), FROM TIME TO TIME, AND OVER AN INDEFINITE PERIOD OF YEARS, UNTIL THIS AGREEMENT SHALL BE CANCELED IN ACCORDANCE WITH THE TERMS HEREOF.

WE HAVE READ THIS GENERAL AGREEMENT OF INDEMNITY CAREFULLY. THERE ARE NO SEPARATE AGREEMENTS OR UNDERSTANDINGS WHICH IN ANY WAY LESSEN OUR OBLIGATIONS AS ABOVE SET FORTH.

IN TESTIMONY WHEREOF, the undersigned Indemnitors agree that the effective date of this agreement of indemnity is the 27th day of February, 2010.

Addresses:

106 Lockhead Drive, Beaver, WV 25813

James C. Justice Companies, Inc.

By:   
James C. Justice, Vice-President (L.S.)

106 Lockhead Drive, Beaver, WV 25813

Kentucky Fuel Corporation

By:   
James C. Justice, Vice-President (L.S.)

STREET  
CITY, STATE ZIP CODE

By: \_\_\_\_\_ (L.S.)

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CITY, STATE ZIP CODE

By: \_\_\_\_\_ (L.S.)

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CITY, STATE ZIP CODE

By: \_\_\_\_\_ (L.S.)  
NAME, INDIVIDUALLY

STREET

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**CITY, STATE ZIP CODE**

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By: \_\_\_\_\_ (L.S.)  
**NAME, INDIVIDUALLY**

IMPORTANT: COMPLETE PHYSICAL ADDRESS INCLUDING ZIP CODE MUST BE GIVEN FOR ALL INDEMNITORS.  
INDIVIDUAL INDEMNITORS MUST FURNISH ADDRESS OF PRIMARY RESIDENCE.



### GENERAL AGREEMENT OF INDEMNITY

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WHEREAS, in the transaction of business, certain bonds, undertakings and other writings obligatory in the nature of a bond have heretofore been, and may hereafter be, required by, for or on behalf of Indemnitors or any one or more of the parties included in the designation Indemnitors, and application has been made and will hereafter be made to the company to execute such bonds and as a prerequisite to the execution of such bond or bonds, the Company requires complete indemnification.

NOW, THEREFORE, in consideration of the premises, and the payment by the Company of the sum of One (\$1.00) Dollar to each of the Indemnitors, receipt whereof is hereby acknowledged, and for other good and valuable consideration, the Indemnitors do, for themselves, their heirs, executors, administrators and assigns, jointly and severally, agree with the Company as follows:

1. The Indemnitors will pay to the Company, at its Executive Offices in Lombard, Illinois, premiums and charges at the rates, and at the times specified in respect to each such bond in the Company's schedule of rates, which, with any additions, or amendments thereto, is by reference made a part hereof, and will continue to pay the same where such premium or charge is annual, until the Company shall be discharged and released from any and all liability and responsibility upon and from each such bond or matters arising there from, and until the Indemnitors shall deliver to the Company at its Executive Offices in Lombard, Illinois, competent written evidence satisfactory to the Company of its discharge from all liability on such bond or bonds.
2. The Indemnitors will indemnify and save the Company harmless from and against every claim, demand, liability, cost, charge, suit, judgment and expense which the Company may pay or incur in consequence of having executed, or procured the execution of, such bonds, or any renewals or continuations thereof or substitutes therefore, including fees of attorneys, whether on salary, retainer or otherwise, and the expense of procuring, or attempting to procure, release from liability, or in bringing suit to enforce the obligation of any of the Indemnitors under this Agreement. In the event of payment by the Company, the Indemnitors agree to accept the voucher or other evidence of such payment as prima facie evidence of the propriety thereof, and of the Indemnitor's liability therefore to the Company.
3. If the Company shall set up a reserve to cover any claim, suit or judgment under any such bond, the Indemnitors will, immediately upon demand, deposit with the Company a sum of money equal to such reserve, such sum to be held by the Company as collateral security on such bond, and such sum and any other money or property which shall have been, or shall hereafter be, pledged as collateral security on any such bond shall, unless otherwise agreed in writing by the Company, be available, in the discretion of the Company, as collateral security on any other or all bonds coming within the scope of this Agreement.
4. The Indemnitors immediately upon becoming aware of any demand, notice, or proceeding preliminary to determining or fixing any liability, with which the Company may be subsequently charged under any such bond, shall notify the Company thereof in writing at its Executive Offices in Lombard, Illinois.
5. The Company shall have the exclusive right to determine for itself and the Indemnitors whether any claim or suit brought against the Company or the Indemnitors upon any such bond shall be settled or defended and its decision shall be binding and conclusive upon the Indemnitors.
6. If such bond be given in connection with a contract, the Company is hereby authorized, but not required, to consent to any change in the contract or in the plans or specifications relating thereto; to make or guarantee advances or loans for the purposes of the contract without the necessity of seeing to the application thereof, it being understood that the amount of all such advances or loans, unless repaid with legal interest by the Indemnitors to the Company when due, shall be conclusively presumed to be a loss hereunder; in the event of the abandonment, forfeiture or breach of the contract, or the

breach of any bond given in connection therewith, or the failure, neglect or refusal to pay for labor or materials used in the prosecution of the contract, to take possession of the work under the contract and, at the expense of the Indemnitors, to complete the contract, or cause, or consent, to the completion thereof. The Indemnitors hereby assign, transfer, and set over to the Company (to be effective as of the date of any such bond, but only in the event of a default as aforesaid), all of their rights under the contract including their right, title and interest in and to all subcontracts let in connection therewith; all machinery, plant, equipment, tools and materials which shall be upon the site of the work or elsewhere for the purposes of the contract, including all materials ordered for the contract, and any and all sums due under the contract at the time of such abandonment, forfeiture, breach, failure, neglect or refusal, or which may thereafter become due, and the Indemnitors hereby authorize the Company to endorse in the name of the payee, and to collect any check, draft, warrant or other instrument made or issued in payment of any such sum, and to disburse the proceeds thereof.

7. That it shall not be necessary for the Company to give the Indemnitors, or any one or more of them, notice of the execution of any such bonds, nor of any fact or information coming to the notice or knowledge of the Company affecting its rights or liabilities, or the rights or liabilities of the Indemnitors under any such bond executed by it, notice of all such being hereby expressly waived.

8. In the event of any claim or demand being made by the Company against the Indemnitors, or any one or more of the parties so designated, by reason of the execution of a bond or bonds, the Company is hereby expressly authorized to settle with any one or more of the Indemnitors individually, and without reference to the others, and such settlement or composition shall not affect the liability of any of the others, and we hereby expressly waive the right to be discharged and released by reason of the release of one or more of the joint debtors, and hereby consent to any settlement or composition that may hereafter be made.

9. The Company at its option may decline to execute or participate in, or procure the execution of, any such bonds without impairing the validity of this General Agreement of Indemnity.

10. If the Company procures the execution of such bonds by other companies, or executes such bonds with co-sureties, or reinsures any portions of such bonds with reinsuring companies, then all the terms and conditions of this Agreement shall apply and operate for the benefit of such other companies, co-sureties, and re-insurers as their interests may appear.

11. The liability of the Indemnitors hereunder shall not be affected by the failure of the Principal to sign any such bond, nor by any claim that other indemnity or security was to have been obtained, nor by the release of any indemnity, or the return or exchange of any collateral that may have been obtained and if any party signing this Agreement is not bound for any reason, this Agreement shall still be binding upon each and every other party.

12. This Agreement may be terminated by the Indemnitors, or any one or more of the parties so designated, upon written notice to the Company of not less than ten (10) days, but any such notice of termination shall not operate to modify, bar or discharge the liability of any party hereto, upon or by reason of any and all such obligations that may be then in force.

13. Indemnitors agree that their liability shall be construed as the liability of a compensated surety, as broadly as the liability of the Company is construed toward its obligee.

14. The word Indemnitors, or personal pronouns used to refer to said word, shall apply regardless of number or gender, and to individuals, partnerships or corporations, as the circumstances require.

15. That no change or modification of or in the terms of this agreement shall be effective unless such change or modification is in writing and signed by the President, a Vice-President, a Secretary, or an Assistant Secretary of the Company.

16. That this Agreement shall constitute a security agreement to the Company, as a surety and also a financing statement, both in accordance with the provisions of the Uniform Commercial Code of every jurisdiction wherein such Code is in effect and may be so used by the Company without in any way abrogating, restricting or limiting the rights of the Company under this Agreement or under law, or in equity.

17. At any time, and until such time as the liability of the Company under any and all said Bonds is terminated, the Company shall have the right to reasonable access to the books, records, and accounts of the Indemnitor and Indemnitors; and any bank depository, material man, supply house, or other person, firm, or corporation when requested by the Company is hereby authorized to furnish the Company any information requested including, but not limited to, the status of the work under contracts being performed by the Indemnitor, the condition of the performance of such contracts and payments of accounts.

18. In the event of any breach, delay or default asserted by the obligee in any said Bonds, or the Indemnitors have suspended or ceased work on any contract or contracts covered by any said Bonds, or failed to pay obligations incurred in connection therewith, or in the event of the death, disappearance, Indemnitor's conviction for a felony, imprisonment, incompetence, insolvency, or bankruptcy of the Indemnitors, or the appointment of a receiver or trustee for the Indemnitors, or the property of the Indemnitors, or in the event of an assignment for the benefit of creditors of the Indemnitors, or if any action is taken by or against the Indemnitors under or by virtue of the National Bankruptcy Act, or should reorganization or arrangement proceedings be filed by or against the Indemnitors under said Act, or if any action is taken by or against the Indemnitors under the insolvency laws of any state, possession, or territory of the United States, the Surety shall have the right, at its option and in its sole discretion, and is hereby authorized, with or without exercising any other right or option conferred upon it by law or in the terms of this Agreement, to take possession of any part or all of the work under any contract or contracts covered by any said Bonds, and at the expense of the Indemnitors to complete or arrange for the completion of the same, and the Indemnitors shall promptly upon demand pay to the Surety all losses, and expenses so incurred.

19. THE INDEMNITORS HEREBY ACKNOWLEDGE THAT THIS AGREEMENT IS INTENDED TO COVER ANY BONDS (WHETHER OR NOT COVERED BY ANY APPLICATION SIGNED BY ANY ONE OR MORE OF THE INDEMNITORS— SUCH APPLICATION TO BE CONSIDERED BETWEEN THE PARTIES HERETO AS MERELY SUPPLEMENTARY TO THIS GENERAL AGREEMENT OF INDEMNITY) HERETOFORE OR HEREAFTER EXECUTED BY THE COMPANY ON BEHALF OF THE INDEMNITORS, OR ANY ONE OF THEM (WHETHER CONTRACTING ALONE OR AS A JOINT OR CO-ADVENTURER), FROM TIME TO TIME, AND OVER AN INDEFINITE PERIOD OF YEARS, UNTIL THIS AGREEMENT SHALL BE CANCELED IN ACCORDANCE WITH THE TERMS HEREOF.

WE HAVE READ THIS GENERAL AGREEMENT OF INDEMNITY CAREFULLY. THERE ARE NO SEPARATE AGREEMENTS OR UNDERSTANDINGS WHICH IN ANY WAY LESSEN OUR OBLIGATIONS AS ABOVE SET FORTH.

IN TESTIMONY WHEREOF, the undersigned Indemnitors agree that the effective date of this agreement of indemnity is the 30th day of April, 2010.

Addresses:  
Street Address  
City, State Zip Code

106 Lockheed Drive, Beaver, WV 25813

Street Address  
City, State Zip Code

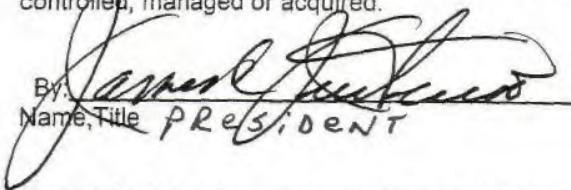
300 W. Main Street, White Sulphur Springs, WV 24986

Street Address  
City, State Zip Code

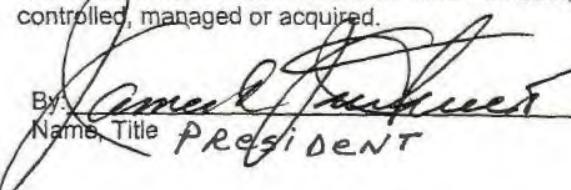
Street Address  
City, State Zip Code

Addresses:  
Street Address  
City, State Zip Code

James C. Justice Companies, Inc. and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By:   
(L.S.)  
Name, Title PRESIDENT

Greenbrier Hotel Corporation and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By:   
(L.S.)  
Name, Title PRESIDENT

By: \_\_\_\_\_ (L.S.)  
Name, Title

By: \_\_\_\_\_ (L.S.)  
Name, Title

By: \_\_\_\_\_ (L.S.)  
Name, Title

Street Address  
City, State Zip Code

[PRINCIPAL NAME] and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By: \_\_\_\_\_ (L.S.)  
Name, Title

Street Address  
City, State Zip Code

[PRINCIPAL NAME] and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By: \_\_\_\_\_ (L.S.)  
Name, Title

Street Address  
City, State Zip Code

[PRINCIPAL NAME] and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

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Name, Title

Street Address  
City, State Zip Code

[PRINCIPAL NAME] and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By: \_\_\_\_\_ (L.S.)  
Name, Title

Street Address  
City, State Zip Code

By: \_\_\_\_\_ (L.S.)  
Name, Individually  
SSN: \_\_\_\_\_

Street Address  
City, State Zip Code

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Street Address  
City, State Zip Code

By: \_\_\_\_\_ (L.S.)  
Name, Individually  
SSN: \_\_\_\_\_

IMPORTANT: COMPLETE PHYSICAL ADDRESS INCLUDING ZIP CODE MUST BE GIVEN FOR ALL INDEMNITORS.  
INDIVIDUAL INDEMNITORS MUST FURNISH ADDRESS OF PRIMARY RESIDENCE.



## INDEMNITY AGREEMENT

The undersigned Applicant(s) and Indemnitor(s), (hereinafter referred to as "Indemnitors") hereby certify that the forgoing declarations made and answers given are the truth without reservation, and are made for the purpose of inducing Lexon Insurance Company and/or Bond Safeguard Insurance Company, its affiliates, parent and subsidiaries individually and collectively called Lexon Surety Group (hereinafter referred to as "Surety") to execute a certain bond(s) or undertaking(s) herein applied for, and all subsequent renewal, continuation or increase of the same or any bond(s) of similar nature given in substitution or renewal thereof (all comprehended in the word "bond(s)" or "undertaking(s)" as herein used).

If Surety shall execute or procure the execution of the bond(s) applied for, which bond(s) are hereby referred to and made a part of this agreement, the undersigned, in consideration thereof, jointly and severally covenant and agree with the Surety as follows:

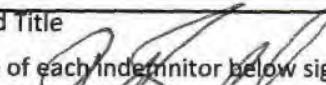
1. Surety may, at its sole discretion, deny, pay, compromise, defend or appeal any claim or suit against the Bond(s). An itemized statement of or sworn voucher from Surety attesting to the loss shall be prima facie evidence of the loss. Indemnitor(s) expressly waive notice of any claim or demand against the Bond(s) or information provided to the Surety;
2. Until full performance of the obligation(s) and exonerations of the Bond(s), satisfactory to it has been obtained, Surety may freely access, examine and copy Indemnitor's books, records, credit reports, financial statements, bank account records, accounts or any other financial records of any form ("hereinafter known as "Records"). Indemnitor(s) authorizes third parties in possession of these records to furnish to Surety any information requested in connection with any transaction;
3. The Indemnitor(s) shall pay the premiums and renewal premiums for each Bond issued hereunder, inclusive of initial, fully earned, premium and all subsequent renewals, extensions or modifications until the Surety has received written legal evidence, satisfactory to the Surety, of its discharge from any and all such Bond(s) and all liability related thereto;
4. The Indemnitor(s) agree to fully indemnify the Surety and to defend and save it harmless from any and all losses incurred as a result of the issuance of the Bond(s), including, but not limited to interest, costs, attorneys fees, incurred by the Surety by reason of any claims against the Surety under any such Bond(s) issued by Surety;
5. If Surety establishes a reserve account, the Indemnitor(s) shall immediately upon demand provide Surety with collateral acceptable to Surety equal to the reserve set and any future reserve increases, whether or not Surety has yet made a payment or incurred a loss, or at any given point that Surety determines collateralization is required for any reason. Surety may retain the collateral until all actual and potential claims and losses of any type against the Bond(s) are exonerated and all loss is fully reimbursed;
6. Indemnitor(s), and each of them, hereby irrevocably appoints Surety, or its designee, as his, her or its attorney-in-fact with the right and power, but not the obligation, to exercise all of the rights assigned to Surety under this agreement and to make, execute and deliver any and all additional contracts, instruments, assignments, documents or papers (including, but not limited to, the endorsement of checks or other instruments payable to Principal or any Indemnitor representing payment of monies) deemed necessary and proper by Surety in order to give full effect to the intent and meaning of the assignments or rights contained herein. It is expressly agreed that this power-of-attorney is coupled with the interest of Surety in receiving the indemnification from Indemnitor(s). Indemnitor(s) hereby ratify all acts by Surety or its designee as attorney-in-fact; and,
7. A facsimile, photocopy, electronic or optical reproduction shall be fully admissible in a court of law with the same force and effect as the original.
8. This Indemnity Agreement covers specifically True Energy Fuels, LLC, Permit No. 1102056 Bond No. 1076427 in the amount of \$550,200. The obligations and indemnity of the undersigned is effective February 19, 2016, the date the Obligee approved application for permit.

IN TESTIMONY WHEREOF, the undersigned have hereto set their hands and seal this 19<sup>th</sup> day of February, 20 16.

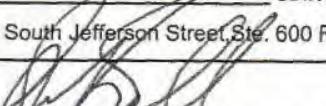
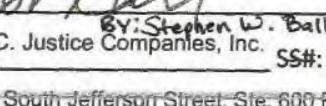
Signed, Sealed and Delivered in the presence of:

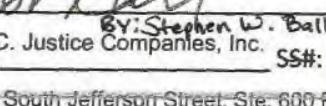
Name of Principal

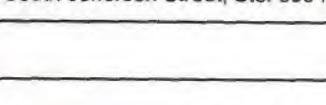
Signature and Title

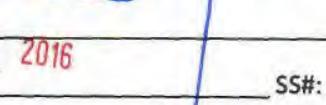
Signature:  Indemnitor  
Print:  BY: Stephen W. Ball AS: Secretary  
Southern Coal Corporation SS#:

Address:  302 South Jefferson Street, Ste. 600 Roanoke, VA 24011

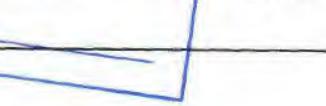
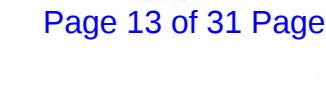
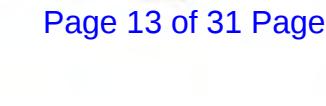
Signature:  Indemnitor  
Print:  BY: Stephen W. Ball AS: Secretary  
James C. Justice Companies, Inc. SS#:

Address:  302 South Jefferson Street, Ste. 600 Roanoke, VA 24011

Signature:  Indemnitor

Print:  SS#:   
Address: 

Signature:  Indemnitor

Print:  SS#:   
By:  Address: 

Attest or Witness

### FRAUD WARNING

ANY PERSON, WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY, FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT ACT, WHICH IS A CRIME.

## INDEMNITY AGREEMENT

The undersigned Applicant(s) and Indemnitor(s), (hereinafter referred to as "Indemnitors") hereby certify that the forgoing declarations made and answers given are the truth without reservation, and are made for the purpose of inducing Lexon Insurance Company and/or Bond Safeguard Insurance Company, its affiliates, parent and subsidiaries, individually and collectively called Lexon Surety Group (hereinafter referred to as "Surety") to execute a certain bond(s) or undertaking(s) herein applied for, and all subsequent renewal, continuation or increase of the same or any bond(s) of similar nature given in substitution or renewal thereof (all comprehended in the word "bond(s)" or "undertaking(s)" as herein used).

If Surety shall execute or procure the execution of the bond(s) applied for, which bond(s) are hereby referred to and made a part of this agreement, the undersigned, in consideration thereof, jointly and severally covenant and agree with the Surety as follows:

1. Surety may, at its sole discretion, deny, pay, compromise, defend or appeal any claim or suit against the Bond(s). An itemized statement of or sworn voucher from Surety attesting to the loss shall be prima facie evidence of the loss. Indemnitor(s) expressly waive notice of any claim or demand against the Bond(s) or information provided to the Surety;
2. Until full performance of the obligation(s) and exonerations of the Bond(s), satisfactory to it has been obtained, Surety may freely access, examine and copy Indemnitor's books, records, credit reports, financial statements, bank account records, accounts or any other financial records of any form ("hereinafter known as "Records"). Indemnitor(s) authorize third parties in possession of these records to furnish to Surety any information requested in connection with any transaction;
3. The Indemnitor(s) shall pay the premiums and renewal premiums for each Bond issued hereunder, inclusive of initial, fully earned, premium and all subsequent renewals, extensions or modifications until the Surety has received written legal evidence, satisfactory to the Surety, of its discharge from any and all such Bond(s) and all liability related thereto;
4. The Indemnitor(s) agree to fully indemnify the Surety and to defend and save it harmless from any and all losses incurred as a result of the issuance of the Bond(s), including, but not limited to interest, costs, attorneys fees, incurred by the Surety by reason of any claims against the Surety under any such Bond(s) issued by Surety;
5. If Surety establishes a reserve account, the Indemnitor(s) shall immediately upon demand provide Surety with collateral acceptable to Surety equal to the reserve set and any future reserve increases, whether or not Surety has yet made a payment or incurred a loss, or at any given point that Surety determines collateralization is required for any reason. Surety may retain the collateral until all actual and potential claims and losses of any type against the Bond(s) are exonerated and all loss is fully reimbursed;
6. Indemnitor(s), and each of them, hereby irrevocably appoints Surety, or its designee, as his, her or its attorney-in-fact with the right and power, but not the obligation, to exercise all of the rights assigned to Surety under this agreement and to make, execute and deliver any and all additional contracts, instruments, assignments, documents or papers (including, but not limited to, the endorsement of checks or other instruments payable to Principal or any Indemnitor representing payment of monies) deemed necessary and proper by Surety in order to give full effect to the intent and meaning of the assignments or rights contained herein. It is expressly agreed that this power-of-attorney is coupled with the interest of Surety in receiving the indemnification from Indemnitor(s). Indemnitor(s) hereby ratify all acts by Surety or its designee as attorney-in-fact; and,
7. A facsimile, photocopy, electronic or optical reproduction shall be fully admissible in a court of law with the same force and effect as the original.
8. This Indemnity Agreement covers specifically IBCS Mining Inc. Kentucky Division Bond No(s)1069939 \$95,000.,1069940 \$150,000., 1069941 \$205,500. The obligations and indemnity of the undersigned is effective December 29, 2015, the date the Obligee approved application for permit.

IN TESTIMONY WHEREOF, the undersigned have hereto set their hands and seal this 29th day of December, 20 15.

Signed, Sealed and Delivered in the presence of;

Attest or Witness

ADDITIONAL INDEMNITORS (Please give home address and type or print name of each indemnitor below signature)

Attest or Witness

Attest or Witness

Attest or Witness

REVIEWED

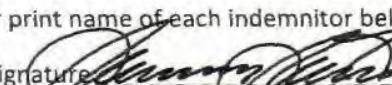
JAN 2016

FRAUD WARNING

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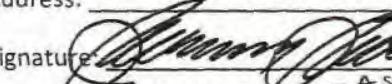
Name of Principal

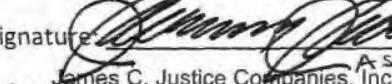
Signature and Title

Signature  Indemnitor

Print:  As executive Vice President of Southern Coal Corporation SS#:

Address: 302 South Jefferson Street, Ste. 600 Roanoke, VA 24011

Signature  Indemnitor

Print:  As executive Vice President of James C. Justice Companies, Inc. SS#:

Address: 302 South Jefferson Street, Ste. 600 Roanoke, VA 24011

Signature: \_\_\_\_\_ Indemnitor

Print: \_\_\_\_\_ SS#: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ Indemnitor

Print: \_\_\_\_\_ SS#: \_\_\_\_\_

Address: \_\_\_\_\_

## **INDEMNITY AGREEMENT**

The undersigned Applicant(s) and Indemnitor(s), (hereinafter referred to as "Indemnitors") hereby certify that the forgoing declarations made and answers given are the truth without reservation, and are made for the purpose of inducing Lexon Insurance Company and/or Bond Safeguard Insurance Company, its affiliates, parent and subsidiaries, individually and collectively called Lexon Surety Group (hereinafter referred to as "Surety") to execute a certain bond(s) or undertaking(s) herein applied for, and all subsequent renewal, continuation or increase of the same or any bond(s) or similar nature given in substitution or renewal thereof (all comprehended in the word "bond(s)" or "undertaking(s)" as herein used.

If Surety shall execute or procure the execution of the bond(s) applied for, which bond(s) are hereby referred to and made a part of this agreement, the undersigned, in consideration thereof, jointly and severally covenant and agree with the Surety as follows:

1. Surety may, at its sole discretion, deny, pay, compromise, defend or appeal any claim or suit against the Bond(s). An itemized statement of or sworn voucher from Surety attesting to the loss shall be *prima facie* evidence of the loss. Indemnitor(s) expressly waive notice of any claim or demand against the Bond(s) or information provided to the Surety;
2. Until full performance of the obligation(s) and exonerations of the Bond(s), satisfactory to it has been obtained, Surety may freely access, examine and copy Indemnitor's books, records, credit reports, financial statements, bank account records, accounts or any other financial records of any form ("hereinafter known as "Records"). Indemnitor(s) authorize third parties in possession of these records to furnish to Surety any information requested in connection with any transaction;
3. The indemnitor(s) shall pay the premiums and renewal premiums for each Bond issued hereunder, inclusive of initial, fully earned, premium and all subsequent renewals, extensions or modifications until the Surety has received written legal evidence, satisfactory to the Surety, of its discharge from any and all such Bond(s) and all liability related thereto;
4. The Indemnitor(s) agree to fully indemnify the Surety and to defend and save it harmless from any and all losses incurred as a result of the issuance of the Bond(s), including, but not limited to interest, costs, attorneys fees, incurred by the Surety by reason of any claims against the Surety under any such Bond(s) issued by Surety;
5. If Surety establishes a reserve account, the Indemnitor(s) shall immediately upon demand provide Surety with collateral acceptable to Surety equal to the reserve set and any future reserve increases, whether or not Surety has yet made a payment or incurred a loss, or at any given point that Surety determines collateralization is required for any reason. Surety may retain the collateral until all actual and potential claims and losses of any type against the Bond(s) are exonerated and all loss is fully reimbursed;
6. Indemnitor(s), and each of them, hereby irrevocably appoints Surety, or its designee, as his, her or its attorney-in-fact with the right and power, but not the obligation, to exercise all of the rights assigned to Surety under this agreement and to make, execute and deliver any and all additional contracts, instruments, assignments, documents or papers (including, but not limited to, the endorsement of checks or other instruments payable to Principal or any Indemnitor representing payment of monies) deemed necessary and proper by Surety in order to give full effect to the intent and meaning of the assignments or rights contained herein. It is expressly agreed that this power-of-attorney is coupled with the interest of Surety in receiving the indemnification from Indemnitor(s). Indemnitor(s) hereby ratify all acts by Surety or its designee as attorney-in-fact; and,
7. A facsimile, photocopy, electronic or optical reproduction shall be fully admissible in a court of law with the same force and effect as the original.
8. This indemnity agreement covers specifically IBCS Mining, Inc. Kentucky Division Bond #1066529 a copy of which is hereby attached. The obligations and indemnity of the undersigned is effective as of the 1/22/15 (the date the permit transfer was requested from the Bond Obligee) and shall cover all liability under the bond going forward from 1/22/15.

IN TESTIMONY WHEREOF, the undersigned have hereto set their hands and seal this 28 day of January, 2015

Signed, Sealed and Delivered in the presence of;

Name of Principal

Attest or Witness

Signature and Title

ADDITIONAL INDEMNITORS (Please give home address and type or print name of each indemnitor below signature)

---

**Attest or Witness**

Signature: \_\_\_\_\_ Indemnitor

Print: Southern Coal Corporation FEN  
SS#: 111

302 South Jefferson Street, Ste. 600, Roanoke, VA 24011

Attest or Witness

Address: ~~Stephen W. Bell~~

Attest or Witness

Signature: John Doe as CFO Indemnitor

Print: James C. Justice Companies, Inc. *Secretary*  
*FIN*  
*SSR:*

---

**Attest or Witness**

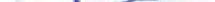
## FRAUD WARNING

ANY PERSON, WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY, FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS, FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT ACT, WHICH IS A CRIME.

**Address:**

REVIEWED  
Signature: Indemnity

Signature:  Indemnitor

Print:  PSR: \_\_\_\_\_

REVIEWED

DEC 12 2016

COPY

### INDEMNITY AGREEMENT

The undersigned Applicant(s) and Indemnitor(s), (hereinafter referred to as "Indemnitors") hereby certify that the forgoing declarations made and answers given are the truth without reservation, and are made for the purpose of inducing Lexon Insurance Company and/or Bond Safeguard Insurance Company, its affiliates, parent and subsidiaries, individually and collectively called Lexon Surety Group (hereinafter referred to as "Surety") to execute a certain bond(s) or undertaking(s) herein applied for, and all subsequent renewal, continuation or increase of the same or any bond(s) of similar nature given in substitution or renewal thereof (all comprehended in the word "bond(s)" or "undertaking(s)" as herein used).

If Surety shall execute or procure the execution of the bond(s) applied for, which bond(s) are hereby referred to and made a part of this agreement, the undersigned, in consideration thereof, jointly and severally covenant and agree with the Surety as follows:

1. Surety may, at its sole discretion, deny, pay, compromise, defend or appeal any claim or suit against the Bond(s). An itemized statement of or sworn voucher from Surety attesting to the loss shall be *prima facie* evidence of the loss. Indemnitor(s) expressly waive notice of any claim or demand against the Bond(s) or information provided to the Surety;
2. Until full performance of the obligation(s) and exonerations of the Bond(s), satisfactory to it has been obtained, Surety may freely access, examine and copy Indemnitor's books, records, credit reports, financial statements, bank account records, accounts or any other financial records of any form ("hereinafter known as "Records"). Indemnitor(s) authorize third parties in possession of these records to furnish to Surety any information requested in connection with any transaction;
3. The Indemnitor(s) shall pay the premiums and renewal premiums for each Bond issued hereunder, inclusive of initial, fully earned, premium and all subsequent renewals, extensions or modifications until the Surety has received written legal evidence, satisfactory to the Surety, of its discharge from any and all such Bond(s) and all liability related thereto;
4. The Indemnitor(s) agree to fully indemnify the Surety and to defend and save it harmless from any and all losses incurred as a result of the issuance of the Bond(s), including, but not limited to interest, costs, attorneys fees, incurred by the Surety by reason of any claims against the Surety under any such Bond(s) issued by Surety;
5. If Surety establishes a reserve account, the Indemnitor(s) shall immediately upon demand provide Surety with collateral acceptable to Surety equal to the reserve set and any future reserve increases, whether or not Surety has yet made a payment or incurred a loss, or at any given point that Surety determines collateralization is required for any reason. Surety may retain the collateral until all actual and potential claims and losses of any type against the Bond(s) are exonerated and all loss is fully reimbursed;
6. Indemnitor(s), and each of them, hereby irrevocably appoints Surety, or its designee, as his, her or its attorney-in-fact with the right and power, but not the obligation, to exercise all of the rights assigned to Surety under this agreement and to make, execute and deliver any and all additional contracts, instruments, assignments, documents or papers (including, but not limited to, the endorsement of checks or other instruments payable to Principal or any Indemnitor representing payment of monies) deemed necessary and proper by Surety in order to give full effect to the intent and meaning of the assignments or rights contained herein. It is expressly agreed that this power-of-attorney is coupled with the interest of Surety in receiving the indemnification from Indemnitor(s). Indemnitor(s) hereby ratify all acts by Surety or its designee as attorney-in-fact; and,
7. A facsimile, photocopy, electronic or optical reproduction shall be fully admissible in a court of law with the same force and effect as the original.

IN TESTIMONY WHEREOF, the undersigned have hereunto set their hands and seal this 28<sup>th</sup> day of August, 20 14.

Signed, Sealed and Delivered in the presence of:

Jamela L. Shores

Attest or Witness

ADDITIONAL INDEMNITORS (Please give home address and type or print name of each indemnitor below signature)

Jamela L. Shores

Attest or Witness

Jamela L. Shores

Attest or Witness

Attest or Witness

Attest or Witness

#### FRAUD WARNING

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James C. Justice Companies, Inc.

Name of Principal

Signature and title

Signature:

Print: Southern Coal Corporation SS#:

Address: 818 N. Eisenhower Drive, Beckley WV, 25801

Signature:

Print: James C. Justice SS#:

Address: 208 Dwyer Ln, Lewisburg, WV 24901

Signature: \_\_\_\_\_ Indemnitor

Print: \_\_\_\_\_ SS#:

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ Indemnitor

Print: \_\_\_\_\_ SS#:

Address: \_\_\_\_\_

**COPY**

**GENERAL AGREEMENT OF INDEMNITY**

This Agreement entered into by and between the undersigned, herein called the Indemnitors, and Bond Safeguard Insurance Company, Illinois, and/or Lexon Insurance Company, Texas, with Executive Offices in Lombard, Illinois hereinafter called the Company, witnesseth:

WHEREAS, in the transaction of business, certain bonds, undertakings and other writings obligatory in the nature of a bond have heretofore been, and may hereafter be, required by, for or on behalf of Indemnitors or and one or more of the parties included in the designation Indemnitors, and application has been made and will hereafter be made to the company to execute such bonds and as a prerequisite to the execution of such bond or bonds, the Company requires complete indemnification.

NOW, THEREFORE, in consideration of the premises, and the payment by the Company of the sum of One (\$1.00) Dollar to each of the Indemnitors, receipt whereof is hereby acknowledged, and for other good and valuable consideration, the Indemnitors do, for themselves, their heirs, executors, administrators and assigns, jointly and severally, agree with the Company as follows :

1. The Indemnitors will pay to the Company, at its Executive Offices in Lombard, Illinois, premiums and charges at the rates, and at the times specified in respect to each such bond in the Company's schedule of rates, which, with any additions, or amendments thereto, is by reference made a part hereof, and will continue to pay the same where such premium or charge is annual, until the Company shall be discharged and released from any and all liability and responsibility upon and from each such bond or matters arising there from, and until the Indemnitors shall deliver to the Company at its Executive Offices in Lombard, Illinois, competent written evidence satisfactory to the Company of its discharge from all liability on such bond or bonds.
2. The Indemnitors will indemnify and save the Company harmless from and against every claim, demand, liability, cost, charge, suit, judgment and expense which the Company may pay or incur in consequence of having executed, or procured the execution of, such bonds, or any renewals or continuations thereof or substitutes therefore, including fees of attorneys, whether on salary, retainer or otherwise, and the expense of procuring, or attempting to procure, release from liability, or in bringing suit to enforce the obligation of any of the Indemnitors under this Agreement. In the event of payment by the Company, the Indemnitors agree to accept the voucher or other evidence of such payment as *prima facie* evidence of the propriety thereof, and of the Indemnitors liability therefore to the Company.
3. If the Company shall set up a reserve to cover any claim, suit or judgment under any such bond, the Indemnitors will, immediately upon demand, deposit with the Company a sum of money equal to such reserve, such sum to be held by the Company as collateral security on such bond, and such sum and any other money or property which shall have been, or shall hereafter be, pledged as collateral security on any such bond shall, unless otherwise agreed in writing by the Company, be available, in the discretion of the Company, as collateral security on any other or all bonds coming within the scope of this Agreement.
4. The Indemnitors immediately upon becoming aware of any demand, notice, or proceeding preliminary to determining or fixing any liability, with which the Company may be subsequently charged under any such bond, shall notify the Company thereof in writing at its Executive Offices in Lombard, Illinois.
5. The Company shall have the exclusive right to determine for itself and the Indemnitors whether any claim or suit brought against the Company or the Indemnitors upon any such bond shall be settled or defended and its decision shall be binding and conclusive upon the Indemnitors.
6. If such bond be given in connection with a contract, the Company is hereby authorized, but not required, to consent to any change in the contract or in the plans or specifications relating thereto; to make or guarantee advances or loans for the purposes of the contract without the necessity of seeing to the application thereof, it being understood that the amount of all such advances or loans, unless repaid with legal interest by the Indemnitors to the Company when due, shall be conclusively presumed to be a loss hereunder; in the event of the abandonment, forfeiture or breach of the contract, or the breach of any bond given in connection therewith, or the failure, neglect or refusal to pay for labor or

materials used in the prosecution of the contract, to take possession of the work under the contract and, at the expense of the Indemnitors, to complete the contract, or cause, or consent, to the completion thereof. The Indemnitors hereby assign, transfer, and set over to the Company (to be effective as of the date of any such bond, but only in the event of a default as aforesaid), all of their rights under the contract including their right, title and interest in and to all subcontracts let in connection therewith; all machinery, plant, equipment, tools and materials which shall be upon the site of the work or elsewhere for the purposes of the contract, including all materials ordered for the contract, and any and all sums due under the contract at the time of such abandonment, forfeiture, breach, failure, neglect or refusal, or which may thereafter become due, and the Indemnitors hereby authorize the Company to endorse in the name of the payee, and to collect any check, draft, warrant or other instrument made or issued in payment of any such sum, and to disburse the proceeds thereof.

7. That it shall not be necessary for the Company to give the Indemnitors, or anyone or more of them, notice of the execution of any such bonds, nor of any fact or information coming to the notice or knowledge of the Company affecting its rights or liabilities, or the rights or liabilities of the Indemnitors under any such bond executed by it, notice of all such being hereby expressly waived.

8. In the event of any claim or demand being made by the Company against the Indemnitors, or any one or more of the parties so designated, by reason of the execution of a bond or bonds, the Company is hereby expressly authorized to settle with any one or more of the Indemnitors individually, and without reference to the others, and such settlement or composition shall not affect the liability of any of the others, and we hereby expressly waive the right to be discharged and released by reason of the release of one or more of the joint debtors, and hereby consent to any settlement or composition that may hereafter be made.

9. The Company at its option may decline to execute or participate in, or procure the execution of, any such bonds without impairing the validity of this General Agreement of Indemnity.

10. If the Company procures the execution of such bonds by other companies, or executes such bonds with co-sureties, or reinsurance any portions of such bonds with reinsurance companies, then all the terms and conditions of this Agreement shall apply and operate for the benefit of such other companies, co-sureties, and re-insurers as their interests may appear.

11. The liability of the Indemnitors hereunder shall not be affected by the failure of the Principal to sign any such bond, nor by any claim that other indemnity or security was to have been obtained, nor by the release of any indemnity, or the return or exchange of any collateral that may have been obtained and if any party signing this Agreement is not bound for any reason, this Agreement shall still be binding upon each and every other party.

12. This Agreement may be terminated by the Indemnitors, or any one or more of the parties so designated, upon written notice to the Company of not less than ten (10) days, but any such notice of termination shall not operate to modify, bar or discharge the liability of any party hereto, upon or by reason of any and all such obligations that may be then in force.

13. Indemnitors agree that their liability shall be construed as the liability of a compensated surety, as broadly as the liability of the Company is construed toward its obligee.

14. The word Indemnitors, or personal pronouns used to refer to said word, shall apply regardless of number or gender, and to individuals, partnerships or corporations, as the circumstances require.

15. That no change or modification of or in the terms of this agreement shall be effective unless such change or modification is in writing and signed by the President, a Vice-President, a Secretary, or an Assistant Secretary of the Company.

16. That this Agreement shall constitute a security agreement to the Company, as a surety and also a financing statement, both in accordance with the provisions of the Uniform Commercial Code of every jurisdiction wherein such Code is in effect and may be so used by the Company without in any way abrogating, restricting or limiting the rights of the Company under this Agreement or under law, or in equity.

17. At any time, and until such time as the liability of the Company under any and all said Bonds is terminated, the Company shall have the right to reasonable access to the books, records, and accounts of the Indemnitor and Indemnitors; and any bank depository, material man, supply house, or other person, firm, or corporation when requested by the Company is hereby authorized to furnish the Company any information requested including, but not limited to, the status of the work under contracts being performed by the Indemnitor, the condition of the performance of such contracts and payments of accounts.

18. In the event of any breach, delay or default asserted by the obligee in any said Bonds, or the Indemnitors have suspended or ceased work on any contract or contracts covered by any said Bonds, or failed to pay obligations incurred in connection therewith, or in the event of the death, disappearance, Indemnitor's conviction for a felony, imprisonment, incompetence, insolvency, or bankruptcy of the Indemnitors, or the appointment of a receiver or trustee for the Indemnitors, or the property of the Indemnitors, or in the event of an assignment for the benefit of creditors of the Indemnitors, or if any action is taken by or against the Indemnitors under or by virtue of the National Bankruptcy Act, or should reorganization or arrangement proceedings be filed by or against the Indemnitors under said Act, or if any action is taken by or against the Indemnitors under the insolvency laws of any state, possession, or territory of the United States, the Surety shall have the right, at its option and in its sole discretion, and is hereby authorized, with or without exercising any other right or option conferred upon it by law or in the terms of this Agreement, to take possession of any part or all of the work under any contract or contracts covered by any said Bonds, and at the expense of the Indemnitors and Indemnitors to complete or arrange for the completion of the same, and the Indemnitors and Indemnitors shall promptly upon demand pay to the Surety all losses, and expenses so incurred. copy

19. THE INDEMNITORS HEREBY ACKNOWLEDGE THAT THIS AGREEMENT IS INTENDED TO COVER ANY BONDS (WHETHER OR NOT COVERED BY ANY APPLICATION SIGNED BY ANY ONE OR MORE OF THE INDEMNITORS— SUCH APPLICATION TO BE CONSIDERED BETWEEN THE PARTIES HERETO AS MERELY SUPPLEMENTARY TO THIS GENERAL AGREEMENT OF INDEMNITY) HERETOFORE OR HERAFTER EXECUTED BY THE COMPANY ON BEHALF OF THE INDEMNITORS, OR ANY ONE OF THEM (WHETHER CONTRACTING ALONE OR AS A JOINT OR CO-ADVENTURER), FROM TIME TO TIME, AND OVER AN INDEFINITE PERIOD OF YEARS, UNTIL THIS AGREEMENT SHALL BE CANCELED IN ACCORDANCE WITH THE TERMS HEREOF.

WE HAVE READ THIS GENERAL AGREEMENT OF INDEMNITY CAREFULLY. THERE ARE NO SEPARATE AGREEMENTS OR UNDERSTANDINGS, WHICH IN ANY WAY LESSEN OUR OBLIGATIONS AS ABOVE SET FORTH.

IN TESTIMONY WHEREOF, the undersigned Indemnitors agree that the effective date of this agreement of indemnity is the 11<sup>th</sup> day of July, 2012.

Addresses:

100 Cranberry Creek Drive  
Beckley, WV 25801

**Mechel Bluestone, Inc.** and all subsidiaries and affiliates now owned and/or hereinafter created, controlled, managed or acquired.

By:

 (L.S.)  
Tommy D Lusk (President)

By: \_\_\_\_\_

(L.S.)

By: \_\_\_\_\_

(L.S.)

By: \_\_\_\_\_

(L.S.)

IMPORTANT: COMPLETE PHYSICAL ADDRESS INCLUDING ZIP CODE MUST BE GIVEN FOR ALL INDEMNITORS. INDIVIDUAL INDEMNITORS MUST FURNISH ADDRESS OF PRIMARY RESIDENCE.

## INDEMNITY AGREEMENT

**COPY**

The undersigned Applicant(s) and Indemnitor(s), (hereinafter referred to as "Indemnitors") hereby certify that the forgoing declarations made and answers given are the truth without reservation, and are made for the purpose of inducing Lexon Insurance Company and/or Bond Safeguard Insurance Company, its affiliates, parent and subsidiaries, individually and collectively called Lexon Surety Group (hereinafter referred to as "Surety") to execute a certain bond(s) or undertaking(s) herein applied for, and all subsequent renewal, continuation or increase of the same or any bond(s) of similar nature given in substitution or renewal thereof (all comprehended in the word "bond(s)" or "undertaking(s)" as herein used).

If Surety shall execute or procure the execution of the bond(s) applied for, which bond(s) are hereby referred to and made a part of this agreement, the undersigned, in consideration thereof, jointly and severally covenant and agree with the Surety as follows:

1. Surety may, at its sole discretion, deny, pay, compromise, defend or appeal any claim or suit against the Bond(s). An itemized statement of or sworn voucher from Surety attesting to the loss shall be *prima facie* evidence of the loss. Indemnitor(s) expressly waive notice of any claim or demand against the Bond(s) or information provided to the Surety;
2. Until full performance of the obligation(s) and exonerations of the Bond(s), satisfactory to it has been obtained, Surety may freely access, examine and copy Indemnitor's books, records, credit reports, financial statements, bank account records, accounts or any other financial records of any form ("hereinafter known as "Records"). Indemnitor(s) authorize third parties in possession of these records to furnish to Surety any information requested in connection with any transaction;
3. The Indemnitor(s) shall pay the premiums and renewal premiums for each Bond issued hereunder, inclusive of initial, fully earned, premium and all subsequent renewals, extensions or modifications until the Surety has received written legal evidence, satisfactory to the Surety, of its discharge from any and all such Bond(s) and all liability related thereto;
4. The Indemnitor(s) agree to fully indemnify the Surety and to defend and save it harmless from any and all losses incurred as a result of the issuance of the Bond(s), including, but not limited to interest, costs, attorneys fees, incurred by the Surety by reason of any claims against the Surety under any such Bond(s) issued by Surety;
5. If Surety establishes a reserve account, the Indemnitor(s) shall immediately upon demand provide Surety with collateral acceptable to Surety equal to the reserve set and any future reserve increases, whether or not Surety has yet made a payment or incurred a loss, or at any given point that Surety determines collateralization is required for any reason. Surety may retain the collateral until all actual and potential claims and losses of any type against the Bond(s) are exonerated and all loss is fully reimbursed;
6. Indemnitor(s), and each of them, hereby irrevocably appoints Surety, or its designee, as his, her or its attorney-in-fact with the right and power, but not the obligation, to exercise all of the rights assigned to Surety under this agreement and to make, execute and deliver any and all additional contracts, instruments, assignments, documents or papers (including, but not limited to, the endorsement of checks or other instruments payable to Principal or any Indemnitor representing payment of monies) deemed necessary and proper by Surety in order to give full effect to the intent and meaning of the assignments or rights contained herein. It is expressly agreed that this power-of-attorney is coupled with the interest of Surety in receiving the indemnification from Indemnitor(s). Indemnitor(s) hereby ratify all acts by Surety or its designee as attorney-in-fact; and,
7. A facsimile, photocopy, electronic or optical reproduction shall be fully admissible in a court of law with the same force and effect as the original.

IN TESTIMONY WHEREOF, the undersigned have hereto set their hands and seal this 19th day of June, 20 12.

Signed, Sealed and Delivered in the presence of:

Attest or Witness

ADDITIONAL INDEMNITORS (Please give home address and type or print name of each Indemnitor below signature)  
*Charles A. Lentz* James C. Justice Companies, Inc. Indemnitor for Strong Brothers Mining  
Attest or Witness

Attest or Witness

Attest or Witness

Attest or Witness

### FRAUD WARNING

ANY PERSON, WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY, FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT ACT, WHICH IS A CRIME

**Strong Brothers Mining**

Name of Principal

Signature and Title

By: Signature: *Ball*

Indemnitor

Fond # 1069817

Print: **STEPHEN W. BALL** : SECRETARY  
106 LOCKHEED DRIVE  
Address: **BEAVER, WV 25813**

Signature: \_\_\_\_\_ Indemnitor

Print: \_\_\_\_\_ SS#: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ Indemnitor

Print: \_\_\_\_\_ SS#: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ Indemnitor

Print: \_\_\_\_\_ SS#: \_\_\_\_\_

Address: \_\_\_\_\_

Bond Safeguard Insurance Company  
Lexon Insurance Company  
Lombard, Illinois

**COPY**

**GENERAL AGREEMENT OF INDEMNITY**

This Agreement entered into by and between the undersigned, herein called the Indemnitors, and Bond Safeguard Insurance Company, Illinois, and /or Lexon Insurance Company, Texas, with Executive Offices in Lombard, Illinois hereinafter called the Company, witnesseth:

WHEREAS, in the transaction of business, certain bonds, undertakings and other writings obligatory in the nature of a bond have heretofore been, and may hereafter be, required by, for or on behalf of Indemnitors or any one or more of the parties included in the designation Indemnitors, and application has been made and will hereafter be made to the company to execute such bonds and as a prerequisite to the execution of such bond or bonds, the Company requires complete indemnification.

NOW, THEREFORE, in consideration of the premises, and the payment by the Company of the sum of One (\$1.00) Dollar to each of the Indemnitors, receipt whereof is hereby acknowledged, and for other good and valuable consideration, the Indemnitors do, for themselves, their heirs, executors, administrators and assigns, jointly and severally, agree with the Company as follows:

1. The Indemnitors will pay to the Company, at its Executive Offices in Lombard, Illinois, premiums and charges at the rates, and at the times specified in respect to each such bond in the Company's schedule of rates, which, with any additions, or amendments thereto, is by reference made a part hereof, and will continue to pay the same where such premium or charge is annual, until the Company shall be discharged and released from any and all liability and responsibility upon and from each such bond or matters arising there from, and until the Indemnitors shall deliver to the Company at its Executive Offices in Lombard, Illinois, competent written evidence satisfactory to the Company of its discharge from all liability on such bond or bonds.
2. The Indemnitors will indemnify and save the Company harmless from and against every claim, demand, liability, cost, charge, suit, judgment and expense which the Company may pay or incur in consequence of having executed, or procured the execution of, such bonds, or any renewals or continuations thereof or substitutes therefore, including fees of attorneys, whether on salary, retainer or otherwise, and the expense of procuring, or attempting to procure, release from liability, or in bringing suit to enforce the obligation of any of the Indemnitors under this Agreement. In the event of payment by the Company, the Indemnitors agree to accept the voucher or other evidence of such payment as *prima facie* evidence of the propriety thereof, and of the Indemnitor's liability therefore to the Company.
3. If the Company shall set up a reserve to cover any claim, suit or judgment under any such bond, the Indemnitors will, immediately upon demand, deposit with the Company a sum of money equal to such reserve, such sum to be held by the Company as collateral security on such bond, and such sum and any other money or property which shall have been, or shall hereafter be, pledged as collateral security on any such bond shall, unless otherwise agreed in writing by the Company, be available, in the discretion of the Company, as collateral security on any other or all bonds coming within the scope of this Agreement.
4. The Indemnitors immediately upon becoming aware of any demand, notice, or proceeding preliminary to determining or fixing any liability, with which the Company may be subsequently charged under any such bond, shall notify the Company thereof in writing at its Executive Offices in Lombard, Illinois.
5. The Company shall have the exclusive right to determine for itself and the Indemnitors whether any claim or suit brought against the Company or the Indemnitors upon any such bond shall be settled or defended and its decision shall be binding and conclusive upon the Indemnitors.
6. If such bond be given in connection with a contract, the Company is hereby authorized, but not required, to consent to any change in the contract or in the plans or specifications relating thereto; to make or guarantee advances or loans for the purposes of the contract without the necessity of seeing to the application thereof, it being understood that the amount of all such advances or loans, unless repaid with legal interest by the Indemnitors to the Company when due, shall be conclusively presumed to be a loss hereunder; in the event of the abandonment, forfeiture or breach of the contract, or the

breach of any bond given in connection therewith, or the failure, neglect or refusal to pay for labor or materials used in the prosecution of the contract, to take possession of the work under the contract and, at the expense of the Indemnitors, to complete the contract, or cause, or consent, to the completion thereof. The Indemnitors hereby assign, transfer, and set over to the Company (to be effective as of the date of any such bond, but only in the event of a default as aforesaid), all of their rights under the contract including their right, title and interest in and to all subcontracts let in connection therewith; all machinery, plant, equipment, tools and materials which shall be upon the site of the work or elsewhere for the purposes of the contract, including all materials ordered for the contract, and any and all sums due under the contract at the time of such abandonment, forfeiture, breach, failure, neglect or refusal, or which may thereafter become due, and the Indemnitors hereby authorize the Company to endorse in the name of the payee, and to collect any check, draft, warrant or other instrument made or issued in payment of any such sum, and to disburse the proceeds thereof.

7. That it shall not be necessary for the Company to give the Indemnitors, or any one or more of them, notice of the execution of any such bonds, nor of any fact or information coming to the notice or knowledge of the Company affecting its rights or liabilities, or the rights or liabilities of the Indemnitors under any such bond executed by it, notice of all such being hereby expressly waived.

8. In the event of any claim or demand being made by the Company against the Indemnitors, or any one or more of the parties so designated, by reason of the execution of a bond or bonds, the Company is hereby expressly authorized to settle with any one or more of the Indemnitors individually, and without reference to the others, and such settlement or composition shall not affect the liability of any of the others, and we hereby expressly waive the right to be discharged and released by reason of the release of one or more of the joint debtors, and hereby consent to any settlement or composition that may hereafter be made.

9. The Company at its option may decline to execute or participate in, or procure the execution of, any such bonds without impairing the validity of this General Agreement of Indemnity.

10. If the Company procures the execution of such bonds by other companies, or executes such bonds with co-sureties, or reinsurance any portions of such bonds with reinsurance companies, then all the terms and conditions of this Agreement shall apply and operate for the benefit of such other companies, co-sureties, and re-insurers as their interests may appear.

11. The liability of the Indemnitors hereunder shall not be affected by the failure of the Principal to sign any such bond, nor by any claim that other indemnity or security was to have been obtained, nor by the release of any indemnity, or the return or exchange of any collateral that may have been obtained and if any party signing this Agreement is not bound for any reason, this Agreement shall still be binding upon each and every other party.

12. This Agreement may be terminated by the Indemnitors, or any one or more of the parties so designated, upon written notice to the Company of not less than ten (10) days, but any such notice of termination shall not operate to modify, bar or discharge the liability of any party hereto, upon or by reason of any and all such obligations that may be then in force.

13. Indemnitors agree that their liability shall be construed as the liability of a compensated surety, as broadly as the liability of the Company is construed toward its obligee.

14. The word Indemnitors, or personal pronouns used to refer to said word, shall apply regardless of number or gender, and to individuals, partnerships or corporations, as the circumstances require.

15. That no change or modification of or in the terms of this agreement shall be effective unless such change or modification is in writing and signed by the President, a Vice-President, a Secretary, or an Assistant Secretary of the Company.

16. That this Agreement shall constitute a security agreement to the Company, as a surety and also a financing statement, both in accordance with the provisions of the Uniform Commercial Code of every jurisdiction wherein such Code is in effect and may be so used by the Company without in any way abrogating, restricting or limiting the rights of the Company under this Agreement or under law, or in equity.

17. At any time, and until such time as the liability of the Company under any and all said Bonds is terminated, the Company shall have the right to reasonable access to the books, records, and accounts of the Indemnitor and Indemnitors; and any bank depository, material man, supply house, or other person, firm, or corporation when requested by the Company is hereby authorized to furnish the Company any information requested including, but not limited to, the status of the work under contracts being performed by the Indemnitor, the condition of the performance of such contracts and payments of accounts.

18. In the event of any breach, delay or default asserted by the obligee in any said Bonds, or the Indemnitors have suspended or ceased work on any contract or contracts covered by any said Bonds, or failed to pay obligations incurred in connection therewith, or in the event of the death, disappearance, Indemnitor's conviction for a felony, imprisonment, incompetence, insolvency, or bankruptcy of the Indemnitors, or the appointment of a receiver or trustee for the Indemnitors, or the property of the Indemnitors, or in the event of an assignment for the benefit of creditors of the Indemnitors, or if any action is taken by or against the Indemnitors under or by virtue of the National Bankruptcy Act, or should reorganization or arrangement proceedings be filed by or against the Indemnitors under said Act, or if any action is taken by or against the Indemnitors under the insolvency laws of any state, possession, or territory of the United States, the Surety shall have the right, at its option and in its sole discretion, and is hereby authorized, with or without exercising any other right or option conferred upon it by law or in the terms of this Agreement, to take possession of any part or all of the work under any contract or contracts covered by any said Bonds, and at the expense of the Indemnitors and Indemnitors to complete or arrange for the completion of the same, and the Indemnitors and Indemnitors shall promptly upon demand pay to the Surety all losses, and expenses so incurred.

19. THE INDEMNITORS HEREBY ACKNOWLEDGE THAT THIS AGREEMENT IS INTENDED TO COVER ANY BONDS (WHETHER OR NOT COVERED BY ANY APPLICATION SIGNED BY ANY ONE OR MORE OF THE INDEMNITORS— SUCH APPLICATION TO BE CONSIDERED BETWEEN THE PARTIES HERETO AS MERELY SUPPLEMENTARY TO THIS GENERAL AGREEMENT OF INDEMNITY) HERETOFORE OR HEREAFTER EXECUTED BY THE COMPANY ON BEHALF OF THE INDEMNITORS, OR ANY ONE OF THEM (WHETHER CONTRACTING ALONE OR AS A JOINT OR CO-ADVENTURER), FROM TIME TO TIME, AND OVER AN INDEFINITE PERIOD OF YEARS, UNTIL THIS AGREEMENT SHALL BE CANCELED IN ACCORDANCE WITH THE TERMS HEREOF.

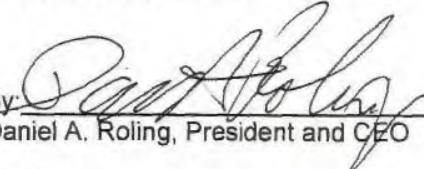
WE HAVE READ THIS GENERAL AGREEMENT OF INDEMNITY CAREFULLY. THERE ARE NO SEPARATE AGREEMENTS OR UNDERSTANDINGS WHICH IN ANY WAY LESSEN OUR OBLIGATIONS AS ABOVE SET FORTH.

IN TESTIMONY WHEREOF, the undersigned Indemnitors agree that the effective date of this agreement of indemnity is the 21st day of December, 2010.

Addresses:

8915 George Williams Road  
Knoxville, TN 37923

**National Coal, LLC**

By:  (L.S.)  
Daniel A. Roling, President and CEO

Name of Indemnitor

By: \_\_\_\_\_ (L.S.)  
Name, Title

Name of Indemnitor

By: \_\_\_\_\_ (L.S.)  
Name, Title

Name of Indemnitor

By: \_\_\_\_\_ (L.S.)  
Name, Title

IMPORTANT: COMPLETE PHYSICAL ADDRESS INCLUDING ZIP CODE MUST BE GIVEN FOR ALL INDEMNITORS. INDIVIDUAL INDEMNITORS MUST FURNISH ADDRESS OF PRIMARY RESIDENCE.

Bond Safeguard Insurance Company  
Lexon Insurance Company  
Lombard, Illinois

**COPY**

**GENERAL AGREEMENT OF INDEMNITY**

This Agreement entered into by and between the undersigned, herein called the Indemnitors, and Bond Safeguard Insurance Company, Illinois, and /or Lexon Insurance Company, Texas, with Executive Offices in Lombard, Illinois hereinafter called the Company, witnesseth:

WHEREAS, in the transaction of business certain bonds, undertakings and other writings obligatory in the nature of a bond have heretofore been, and may hereafter be, required by, for or on behalf of indemnitors or any one or more of the parties included in the designation Indemnitors, and application has been made and will hereafter be made to the company to execute such bonds and as a prerequisite to the execution of such bond or bonds, the Company requires complete indemnification.

NOW, THEREFORE, in consideration of the premises, and the payment by the Company of the sum of One (\$1.00) Dollar to each of the Indemnitors, receipt whereof is hereby acknowledged, and for other good and valuable consideration, the indemnitors do, for themselves, their heirs, executors, administrators and assigns, jointly and severally, agree with the Company as follows:

1. The Indemnitors will pay to the Company, at its Executive Offices in Lombard, Illinois, premiums and charges at the rates, and at the times specified in respect to each such bond in the Company's schedule of rates, which, with any additions, or amendments thereto, is by reference made a part hereof, and will continue to pay the same where such premium or charge is annual, until the Company shall be discharged and released from any and all liability and responsibility upon and from each such bond or matters arising there from, and until the Indemnitors shall deliver to the Company at its Executive Offices in Lombard, Illinois, competent written evidence satisfactory to the Company of its discharge from all liability on such bond or bonds.
2. The Indemnitors will indemnify and save the Company harmless from and against every claim, demand, liability, cost, charge, suit, judgment and expense which the Company may pay or incur in consequence of having executed, or procured the execution of, such bonds, or any renewals or continuations thereof or substitutes therefore, including fees of attorneys, whether on salary, retainer or otherwise, and the expense of procuring, or attempting to procure, release from liability; or in bringing suit to enforce the obligation of any of the Indemnitors under this Agreement. In the event of payment by the Company, the Indemnitors agree to accept the voucher or other evidence of such payment as prima facie evidence of the propriety thereof, and of the Indemnitor's liability therefore to the Company.
3. If the Company shall set up a reserve to cover any claim, suit or judgment under any such bond, the Indemnitors will, immediately upon demand, deposit with the Company a sum of money equal to such reserve, such sum to be held by the Company as collateral security on such bond, and such sum and any other money or property which shall have been, or shall hereafter be, pledged as collateral security on any such bond shall, unless otherwise agreed in writing by the Company, be available, in the discretion of the Company, as collateral security on any other or all bonds coming within the scope of this Agreement.
4. The Indemnitors immediately upon becoming aware of any demand, notice, or proceeding preliminary to determining or fixing any liability, with which the Company may be subsequently charged under any such bond, shall notify the Company thereof in writing at its Executive Offices in Lombard, Illinois.
5. The Company shall have the exclusive right to determine for itself and the Indemnitors whether any claim or suit brought against the Company or the Indemnitors upon any such bond shall be settled or defended and its decision shall be binding and conclusive upon the Indemnitors.
6. If such bond be given in connection with a contract, the Company is hereby authorized, but not required, to consent to any change in the contract or in the plans or specifications relating thereto; to make or guarantee advances or loans for the purposes of the contract without the necessity of seeing to the application thereof, it being understood that the amount of all such advances or loans, unless repaid with legal interest by the Indemnitors to the Company when due, shall be conclusively presumed to be a loss hereunder; in the event of the abandonment, forfeiture or breach of the contract, or the

breach of any bond given in connection therewith, or the failure, neglect or refusal to pay for labor or materials used in the prosecution of the contract, to take possession of the work under the contract and, at the expense of the Indemnitors, to complete the contract, or cause, or consent, to the completion thereof. The Indemnitors hereby assign, transfer, and set over to the Company (to be effective as of the date of any such bond, but only in the event of a default as aforesaid), all of their rights under the contract including their right, title and interest in and to all subcontracts let in connection therewith; all machinery, plant, equipment, tools and materials which shall be upon the site of the work or elsewhere for the purposes of the contract, including all materials ordered for the contract, and any and all sums due under the contract at the time of such abandonment, forfeiture, breach, failure, neglect or refusal, or which may thereafter become due, and the Indemnitors hereby authorize the Company to endorse in the name of the payee, and to collect any check, draft, warrant or other instrument made or issued in payment of any such sum, and to disburse the proceeds thereof.

7. That it shall not be necessary for the Company to give the Indemnitors, or any one or more of them, notice of the execution of any such bonds, nor of any fact or information coming to the notice or knowledge of the Company affecting its rights or liabilities, or the rights or liabilities of the Indemnitors under any such bond executed by it, notice of all such being hereby expressly waived.

8. In the event of any claim or demand being made by the Company against the Indemnitors, or any one or more of the parties so designated, by reason of the execution of a bond or bonds, the Company is hereby expressly authorized to settle with any one or more of the Indemnitors individually, and without reference to the others, and such settlement or composition shall not affect the liability of any of the others, and we hereby expressly waive the right to be discharged and released by reason of the release of one or more of the joint debtors, and hereby consent to any settlement or composition that may hereafter be made.

9. The Company at its option may decline to execute or participate in, or procure the execution of, any such bonds without impairing the validity of this General Agreement of Indemnity.

10. If the Company procures the execution of such bonds by other companies, or executes such bonds with co-sureties, or reinsures any portions of such bonds with reinsuring companies, then all the terms and conditions of this Agreement shall apply and operate for the benefit of such other companies, co-sureties, and re-insurers as their interests may appear.

11. The liability of the Indemnitors hereunder shall not be affected by the failure of the Principal to sign any such bond, nor by any claim that other indemnity or security was to have been obtained, nor by the release of any indemnity, or the return or exchange of any collateral that may have been obtained and if any party signing this Agreement is not bound for any reason, this Agreement shall still be binding upon each and every other party.

12. This Agreement may be terminated by the Indemnitors, or any one or more of the parties so designated, upon written notice to the Company of not less than ten (10) days, but any such notice of termination shall not operate to modify, bar or discharge the liability of any party hereto, upon or by reason of any and all such obligations that may be then in force.

13. Indemnitors agree that their liability shall be construed as the liability of a compensated surety, as broadly as the liability of the Company is construed toward its obligee.

14. The word Indemnitors, or personal pronouns used to refer to said word, shall apply regardless of number or gender, and to individuals, partnerships or corporations, as the circumstances require.

15. That no change or modification of or in the terms of this agreement shall be effective unless such change or modification is in writing and signed by the President, a Vice-President, a Secretary, or an Assistant Secretary of the Company.

16. That this Agreement shall constitute a security agreement to the Company, as a surety and also a financing statement, both in accordance with the provisions of the Uniform Commercial Code of every jurisdiction wherein such Code is in effect and may be so used by the Company without in any way abrogating, restricting or limiting the rights of the Company under this Agreement or under law, or in equity.

17. At any time, and until such time as the liability of the Company under any and all said Bonds is terminated, the Company shall have the right to reasonable access to the books, records, and accounts of the Indemnitor and Indemnitors; and any bank depository, material man, supply house, or other person, firm, or corporation when requested by the Company is hereby authorized to furnish the Company any information requested including, but not limited to, the status of the work under contracts being performed by the Indemnitor, the condition of the performance of such contracts and payments of accounts.

18. In the event of any breach, delay or default asserted by the obligee in any said Bonds, or the Indemnitors have suspended or ceased work on any contract or contracts covered by any said Bonds, or failed to pay obligations incurred in connection therewith, or in the event of the death, disappearance, Indemnitor's conviction for a felony, imprisonment, incompetence, insolvency, or bankruptcy of the Indemnitors, or the appointment of a receiver or trustee for the Indemnitors, or the property of the Indemnitors, or in the event of an assignment for the benefit of creditors of the Indemnitors, or if any action is taken by or against the Indemnitors under or by virtue of the National Bankruptcy Act, or should reorganization or arrangement proceedings be filed by or against the Indemnitors under said Act, or if any action is taken by or against the Indemnitors under the insolvency laws of any state, possession, or territory of the United States, the Surety shall have the right, at its option and in its sole discretion, and is hereby authorized, with or without exercising any other right or option conferred upon it by law or in the terms of this Agreement, to take possession of any part or all of the work under any contract or contracts covered by any said Bonds, and at the expense of the Indemnitors to complete or arrange for the completion of the same, and the Indemnitors shall promptly upon demand pay to the Surety all losses, and expenses so incurred.

19. THE INDEMNITORS HEREBY ACKNOWLEDGE THAT THIS AGREEMENT IS INTENDED TO COVER ANY BONDS (WHETHER OR NOT COVERED BY ANY APPLICATION SIGNED BY ANY ONE OR MORE OF THE INDEMNITORS - SUCH APPLICATION TO BE CONSIDERED BETWEEN THE PARTIES HERETO AS MERELY SUPPLEMENTARY TO THIS GENERAL AGREEMENT OF INDEMNITY) HERETOFORE OR HEREAFTER EXECUTED BY THE COMPANY ON BEHALF OF THE INDEMNITORS, OR ANY ONE OF THEM (WHETHER CONTRACTING ALONE OR AS A JOINT OR CO-ADVENTURER), FROM TIME TO TIME, AND OVER AN INDEFINITE PERIOD OF YEARS, UNTIL THIS AGREEMENT SHALL BE CANCELED IN ACCORDANCE WITH THE TERMS HEREOF.

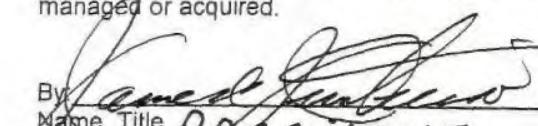
WE HAVE READ THIS GENERAL AGREEMENT OF INDEMNITY CAREFULLY. THERE ARE NO SEPARATE AGREEMENTS OR UNDERSTANDINGS WHICH IN ANY WAY LESSEN OUR OBLIGATIONS AS ABOVE SET FORTH.

IN TESTIMONY WHEREOF, the undersigned Indemnitors agree that the effective date of this agreement of indemnity is the 27th day of February 2010.

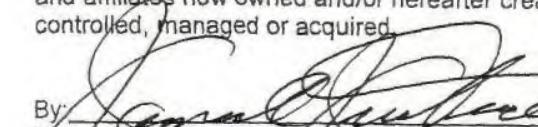
Address:

106 Lockheed Drive, Beaver, W 25813

Southern Coal Corporation and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By:  (L.S.)  
Name, Title **PRESIDENT**

James C. Justice Companies, Inc. and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By:  (L.S.)  
Name, Title **PRESIDENT**

[PRINCIPAL NAME] and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By: \_\_\_\_\_ (L.S.)  
Name, Title

[PRINCIPAL NAME] and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By: \_\_\_\_\_ (L.S.)  
Name, Title

Addresses:

Street Address  
City, State Zip Code

[PRINCIPAL NAME] and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By: \_\_\_\_\_ (L.S.)  
Name, Title

[PRINCIPAL NAME] and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By: \_\_\_\_\_ (L.S.)  
Name, Title

[PRINCIPAL NAME] and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By: \_\_\_\_\_ (L.S.)  
Name, Title

[PRINCIPAL NAME] and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By: \_\_\_\_\_ (L.S.)  
Name, Title

[PRINCIPAL NAME] and all subsidiaries and affiliates now owned and/or hereafter created, controlled, managed or acquired.

By: \_\_\_\_\_ (L.S.)  
Name, Title

By: \_\_\_\_\_ (L.S.)  
Name, Individually  
SSN: \_\_\_\_\_

By: \_\_\_\_\_ (L.S.)  
Name, Individually  
SSN: \_\_\_\_\_

By: \_\_\_\_\_ (L.S.)  
Name, Individually  
SSN: \_\_\_\_\_

Addresses:

Street Address

City, State Zip Code

By: \_\_\_\_\_ (L.S.)

Name, Individually

SSN: \_\_\_\_\_

IMPORTANT: COMPLETE PHYSICAL ADDRESS INCLUDING ZIP CODE MUST BE GIVEN FOR ALL INDEMNITORS.  
INDIVIDUAL INDEMNITORS MUST FURNISH ADDRESS OF PRIMARY RESIDENCE.

Bond Safeguard Insurance Company  
Lexon Insurance Company  
Lombard, Illinois

**COPY**

**GENERAL AGREEMENT OF INDEMNITY**

This Agreement entered into by and between the undersigned, herein called the Indemnitors, and Bond Safeguard Insurance Company, Illinois, and /or Lexon Insurance Company, Texas, with Executive Offices in Lombard, Illinois hereinafter called the Company, witnesseth:

WHEREAS, in the transaction of business, certain bonds, undertakings and other writings obligatory in the nature of a bond have heretofore been, and may hereafter be, required by, for or on behalf of Indemnitors or any one or more of the parties included in the designation Indemnitors, and application has been made and will hereafter be made to the company to execute such bonds and as a prerequisite to the execution of such bond or bonds, the Company requires complete indemnification.

NOW, THEREFORE, in consideration of the premises, and the payment by the Company of the sum of One (\$1.00) Dollar to each of the Indemnitors, receipt whereof is hereby acknowledged, and for other good and valuable consideration, the Indemnitors do, for themselves, their heirs, executors, administrators and assigns, jointly and severally, agree with the Company as follows:

1. The Indemnitors will pay to the Company, at its Executive Offices in Lombard, Illinois, premiums and charges at the rates, and at the times specified in respect to each such bond in the Company's schedule of rates, which, with any additions, or amendments thereto, is by reference made a part hereof, and will continue to pay the same where such premium or charge is annual, until the Company shall be discharged and released from any and all liability and responsibility upon and from each such bond or matters arising there from, and until the Indemnitors shall deliver to the Company at its Executive Offices in Lombard, Illinois, competent written evidence satisfactory to the Company of its discharge from all liability on such bond or bonds.
2. The Indemnitors will indemnify and save the Company harmless from and against every claim, demand, liability, cost, charge, suit, judgment and expense which the Company may pay or incur in consequence of having executed, or procured the execution of, such bonds, or any renewals or continuations thereof or substitutes therefore, including fees of attorneys, whether on salary, retainer or otherwise, and the expense of procuring, or attempting to procure, release from liability, or in bringing suit to enforce the obligation of any of the Indemnitors under this Agreement. In the event of payment by the Company, the Indemnitors agree to accept the voucher or other evidence of such payment as *prima facie* evidence of the propriety thereof, and of the Indemnitor's liability therefore to the Company.
3. If the Company shall set up a reserve to cover any claim, suit or judgment under any such bond, the Indemnitors will, immediately upon demand, deposit with the Company a sum of money equal to such reserve, such sum to be held by the Company as collateral security on such bond, and such sum and any other money or property which shall have been, or shall hereafter be, pledged as collateral security on any such bond shall, unless otherwise agreed in writing by the Company, be available, in the discretion of the Company, as collateral security on any other or all bonds coming within the scope of this Agreement.
4. The Indemnitors immediately upon becoming aware of any demand, notice, or proceeding preliminary to determining or fixing any liability, with which the Company may be subsequently charged under any such bond, shall notify the Company thereof in writing at its Executive Offices in Lombard, Illinois.
5. The Company shall have the exclusive right to determine for itself and the Indemnitors whether any claim or suit brought against the Company or the Indemnitors upon any such bond shall be settled or defended and its decision shall be binding and conclusive upon the Indemnitors.
6. If such bond be given in connection with a contract, the Company is hereby authorized, but not required, to consent to any change in the contract or in the plans or specifications relating thereto; to make or guarantee advances or loans for the purposes of the contract without the necessity of seeing to the application thereof, it being understood that the amount of all such advances or loans, unless repaid with legal interest by the Indemnitors to the Company when due, shall be conclusively presumed to be a loss hereunder; in the event of the abandonment, forfeiture or breach of the contract, or the

breach of any bond given in connection therewith, or the failure, neglect or refusal to pay for labor or materials used in the prosecution of the contract, to take possession of the work under the contract and, at the expense of the Indemnitors, to complete the contract, or cause, or consent, to the completion thereof. The Indemnitors hereby assign, transfer, and set over to the Company (to be effective as of the date of any such bond, but only in the event of a default as aforesaid), all of their rights under the contract including their right, title and interest in and to all subcontracts let in connection therewith; all machinery, plant, equipment, tools and materials which shall be upon the site of the work or elsewhere for the purposes of the contract, including all materials ordered for the contract, and any and all sums due under the contract at the time of such abandonment, forfeiture, breach, failure, neglect or refusal, or which may thereafter become due, and the Indemnitors hereby authorize the Company to endorse in the name of the payee, and to collect any check, draft, warrant or other instrument made or issued in payment of any such sum, and to disburse the proceeds thereof.

7. That it shall not be necessary for the Company to give the Indemnitors, or any one or more of them, notice of the execution of any such bonds, nor of any fact or information coming to the notice or knowledge of the Company affecting its rights or liabilities, or the rights or liabilities of the Indemnitors under any such bond executed by it, notice of all such being hereby expressly waived.

8. In the event of any claim or demand being made by the Company against the Indemnitors, or any one or more of the parties so designated, by reason of the execution of a bond or bonds, the Company is hereby expressly authorized to settle with any one or more of the Indemnitors individually, and without reference to the others, and such settlement or composition shall not affect the liability of any of the others, and we hereby expressly waive the right to be discharged and released by reason of the release of one or more of the joint debtors, and hereby consent to any settlement or composition that may hereafter be made.

9. The Company at its option may decline to execute or participate in, or procure the execution of, any such bonds without impairing the validity of this General Agreement of Indemnity.

10. If the Company procures the execution of such bonds by other companies, or executes such bonds with co-sureties, or reinsurance any portions of such bonds with reinsurance companies, then all the terms and conditions of this Agreement shall apply and operate for the benefit of such other companies, co-sureties, and re-insurers as their interests may appear.

11. The liability of the Indemnitors hereunder shall not be affected by the failure of the Principal to sign any such bond, nor by any claim that other indemnity or security was to have been obtained, nor by the release of any indemnity, or the return or exchange of any collateral that may have been obtained and if any party signing this Agreement is not bound for any reason, this Agreement shall still be binding upon each and every other party.

12. This Agreement may be terminated by the Indemnitors, or any one or more of the parties so designated, upon written notice to the Company of not less than ten (10) days, but any such notice of termination shall not operate to modify, bar or discharge the liability of any party hereto, upon or by reason of any and all such obligations that may be then in force.

13. Indemnitors agree that their liability shall be construed as the liability of a compensated surety, as broadly as the liability of the Company is construed toward its obligee.

14. The word Indemnitors, or personal pronouns used to refer to said word, shall apply regardless of number or gender, and to individuals, partnerships or corporations, as the circumstances require.

15. That no change or modification of or in the terms of this agreement shall be effective unless such change or modification is in writing and signed by the President, a Vice-President, a Secretary, or an Assistant Secretary of the Company.

16. That this Agreement shall constitute a security agreement to the Company, as a surety and also a financing statement, both in accordance with the provisions of the Uniform Commercial Code of every jurisdiction wherein such Code is in effect and may be so used by the Company without in any way abrogating, restricting or limiting the rights of the Company under this Agreement or under law, or in equity.

17. At any time, and until such time as the liability of the Company under any and all said Bonds is terminated, the Company shall have the right to reasonable access to the books, records, and accounts of the Indemnitor and Indemnitors; and any bank depository, material man, supply house, or other person, firm, or corporation when requested by the Company is hereby authorized to furnish the Company any information requested including, but not limited to, the status of the work under contracts being performed by the Indemnitor, the condition of the performance of such contracts and payments of accounts.

18. In the event of any breach, delay or default asserted by the obligee in any said Bonds, or the Indemnitors have suspended or ceased work on any contract or contracts covered by any said Bonds, or failed to pay obligations incurred in connection therewith, or in the event of the death, disappearance, Indemnitor's conviction for a felony, Imprisonment, incompetence, insolvency, or bankruptcy of the Indemnitors, or the appointment of a receiver or trustee for the Indemnitors, or the property of the Indemnitors, or in the event of an assignment for the benefit of creditors of the Indemnitors, or if any action is taken by or against the Indemnitors under or by virtue of the National Bankruptcy Act, or should reorganization or arrangement proceedings be filed by or against the Indemnitors under said Act, or if any action is taken by or against the Indemnitors under the insolvency laws of any state, possession, or territory of the United States, the Surety shall have the right, at its option and in its sole discretion, and is hereby authorized, with or without exercising any other right or option conferred upon it by law or in the terms of this Agreement, to take possession of any part or all of the work under any contract or contracts covered by any said Bonds, and at the expense of the Indemnitors and Indemnitors to complete or arrange for the completion of the same, and the Indemnitors and Indemnitors shall promptly upon demand pay to the Surety all losses, and expenses so incurred.

19. THE INDEMNITORS HEREBY ACKNOWLEDGE THAT THIS AGREEMENT IS INTENDED TO COVER ANY BONDS (WHETHER OR NOT COVERED BY ANY APPLICATION SIGNED BY ANY ONE OR MORE OF THE INDEMNITORS— SUCH APPLICATION TO BE CONSIDERED BETWEEN THE PARTIES HERETO AS MERELY SUPPLEMENTARY TO THIS GENERAL AGREEMENT OF INDEMNITY) HERETOFORE OR HEREAFTER EXECUTED BY THE COMPANY ON BEHALF OF THE INDEMNITORS, OR ANY ONE OF THEM (WHETHER CONTRACTING ALONE OR AS A JOINT OR CO-ADVENTURER), FROM TIME TO TIME, AND OVER AN INDEFINITE PERIOD OF YEARS, UNTIL THIS AGREEMENT SHALL BE CANCELED IN ACCORDANCE WITH THE TERMS HEREOF.

WE HAVE READ THIS GENERAL AGREEMENT OF INDEMNITY CAREFULLY. THERE ARE NO SEPARATE AGREEMENTS OR UNDERSTANDINGS WHICH IN ANY WAY LESSEN OUR OBLIGATIONS AS ABOVE SET FORTH.

IN TESTIMONY WHEREOF, the undersigned Indemnitors agree that the effective date of this agreement of indemnity is the 1st day of July, 2009.

Addresses:

8915 George Williams Road  
Knoxville, TN 37923

8915 George Williams Road  
Knoxville, TN 37923

National Coal Corp.

By:   
Michael R. Castle, CPA, Senior Vice President/Chief Financial Officer (L.S.)

National Coal Corporation

By:   
Michael R. Castle, CPA, Senior Vice President/Chief Financial Officer (L.S.)

Name of Indemnitor

By: \_\_\_\_\_ (L.S.)  
Name, Title

Name of Indemnitor

By: \_\_\_\_\_ (L.S.)  
Name, Title